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# Cepheid Denmark ApS

**C/O Grant thornton Denmark, Stockholmsgade 45, 2100 København Ø**

**Company reg. no. 42 49 31 39**

## Annual report

## 1 January - 31 December 2023

The annual report was submitted and approved by the general meeting on the 11 June 2024.

_____________________________
Timm Roman Kaminski
Chairman of the meeting

# Contents



Notes:
- To ensure the greatest possible applicability of this document, IAS/IFRS English terminology has been used.
- Please note that decimal points have not been used in the usual English way. This means that for instance DKK 146.940 means the amount of DKK 146,940, and that 23,5 % means 23.5 %.

## Management's statement

Today, the Board of Directors and the Managing Director have approved the annual report of Cepheid Denmark ApS for the financial year 1 January - 31 December 2023.

The annual report has been prepared in accordance with the Danish Financial Statements Act.

We consider the chosen accounting policy to be appropriate, and in our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2023 and of the results of the Company's operations for the financial year 1 January – 31 December 2023.

Further, in our opinion, the Management's review gives a true and fair review of the matters discussed in the Management's review.

We recommend that the annual report be approved at the Annual General Meeting.

København Ø, 11 June 2024

**Managing Director**

Timm Roman Kaminski

**Board of directors**

| | | |
|---|---|---|
| Timm Roman Kaminski | Nicolas Brouchon | Rika Dutau |

## Independent auditor´s report

**To the Shareholder of Cepheid Denmark ApS**

**Conclusion**

We have performed an extended review of the financial statements of Cepheid Denmark ApS for the financial year 1 January - 31 December 2023, which comprise income statement, balance sheet, statement of changes in equity and notes, including policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

Based on the work performed, in our opinion, the financial statements give a true and fair view of the Company's financial position at 31 December 2023 and of the results of the Company's operations for the financial year 1 January - 31 December 2023 in accordance with the Danish Financial Statements Act.

**Basis for conclusion**

We conducted our extended review in accordance with the Danish Business Authority's Assurance Standard for Small Enterprises and FSR – Danish Auditors' standard on extended review of financial statements prepared in accordance with the Danish Financial Statements Act. Our responsibilities under those standards and requirements are further described in the "auditor's responsibilities for the extended review of the Financial Statements" section of our report. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

***Independence***

We are independent of the Company in accordance with the International Ethics Standards Board for Accountants International Code of Ethics for Professional Accountants ( IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirments and the IESBA Code.

**Management's responsibilities for the Financial Statements**

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Danish Financial Statements Act, and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

**Auditor's responsibilities for the extended review of the Financial Statements**

Our responsibility is to express a conclusion on the financial statements. This requires that we plan and perform procedures in order to obtain limited assurance for our conclusion on the financial statements and in addition perform specifically required supplementary procedures to obtain further assurance for our conclusion.

An extended review comprises procedures that primarily consist of making inquiries of Management and others within the Company, as appropriate, analytical procedures and the specifically required supplementary procedures as well as evaluation of the evidence obtained.

The procedures performed in an extended review are less than those performed in an audit, and accordingly, we do not express an audit opinion on the financial statements.

**Statement on the Management's review**

Management is responsible for the Management's review.

Our conclusion on the financial statements does not cover the Management's review, and we do not express any form of assurance conclusion thereon.

In connection with our extended review of the financial statements, our responsibility is to read the Management's review and, in doing so, consider whether the Management's review is materially inconsistent with the financial statements or our knowledge obtained during the extended review, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the Management's review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that the Management's review is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement in the Management's review.

Frederiksberg, 11 June 2024

**EY Godkendt Revisionspartnerselskab**
State Authorised Public Accountants
Company reg. no. 30 70 02 28

| | |
|---|---|
| Henrik Kronborg Iversen<br>State Authorised Public Accountant<br>mne24687 | Rasmus Bloch Jespersen<br>State Authorised Public Accountant<br>mne35503 |

## Company information

| | | |
|---|---|---|
| **The company** | Cepheid Denmark ApS<br>C/O Grant thornton Denmark<br>Stockholmsgade 45<br>2100 København Ø | |
| | Company reg. no. | 42 49 31 39 |
| | Financial year: | 1 January - 31 December |
| **Board of directors** | Timm Roman Kaminski<br>Nicolas Brouchon<br>Rika Dutau | |
| **Managing Director** | Timm Roman Kaminski | |
| **Auditors** | EY Godkendt Revisionspartnerselskab | |
| **Parent company** | Cepheid AB | |

# Management´s review

### Description of key activities of the company

The object of the Company is to develope, manufacture, distribute and marlet fully integrated systems amd tests, focusing on medical instruments and reagents, for the clinical markets as well as for application in biothreat and industrial markets.

### Development in activities and financial matters

The gross profit for the year totals DKK 6.452.446 against DKK 8.604.119 last year. Income from ordinary activities after tax totals DKK 2.640.168 against DKK 3.053.641 last year. Management considers the net profit for the year satisfactory.

### Events occurring after the end of the financial year

No event have occurred after the balance sheet date to this date, which would influence the evaluation of this annual report.

## Income statement 1 January - 31 December

All amounts in DKK.

| Note | | 2023 | 2022 |
|---|---|---|---|
| | **Gross profit** | **6.452.446** | **8.604.119** |
| 1 | Staff costs | -3.297.414 | -4.796.825 |
| | Depreciation of non-current assets | -699.698 | 0 |
| | **Operating profit** | **2.455.334** | **3.807.294** |
| | Other financial income | 1.570.769 | 1.164.367 |
| | Other financial expenses | -638.763 | -1.056.126 |
| | **Pre-tax net profit or loss** | **3.387.340** | **3.915.535** |
| | Tax on net profit for the year | -747.172 | -861.894 |
| | **Net profit or loss for the year** | **2.640.168** | **3.053.641** |
| | | | |
| | **Proposed distribution of net profit:** | | |
| | Transferred to retained earnings | 2.640.168 | 3.053.641 |
| | **Total distribution of net profit** | **2.640.168** | **3.053.641** |

## Balance sheet at 31 December

All amounts in DKK.

| Note | Assets | 2023 | 2022 |
|---|---|---|---|
| | **Non-current assets** | | |
| 2 | Other fixtures, fittings, tools and equipment | 7.499.260 | 2.987.666 |
| | Total property, plant, and equipment | 7.499.260 | 2.987.666 |
| | **Total non-current assets** | **7.499.260** | **2.987.666** |
| | **Current assets** | | |
| | Raw materials and consumables | 94.651 | 0 |
| | Prepayments for goods | 22.971 | 0 |
| | Total inventories | 117.622 | 0 |
| | Trade receivables | 5.170.753 | 7.510.119 |
| 3 | Receivables from group enterprises | 28.867.954 | 23.535.462 |
| | Total receivables | 34.038.707 | 31.045.581 |
| | **Total current assets** | **34.156.329** | **31.045.581** |
| | **Total assets** | **41.655.589** | **34.033.247** |

## Balance sheet at 31 December

All amounts in DKK.

**Equity and liabilities**

| Note | | 2023 | 2022 |
|---|---|---|---|
| | **Equity** | | |
| | Contributed capital | 500.000 | 500.000 |
| | Retained earnings | 11.458.568 | 8.818.400 |
| | **Total equity** | **11.958.568** | **9.318.400** |
| | **Provisions** | | |
| | Deferred tax liabilities | 174.710 | 0 |
| | **Total provisions** | **174.710** | **0** |
| | **Liabilities other than provisions** | | |
| | Trade payables | 352.543 | 425.400 |
| | Payables to group enterprises | 23.868.552 | 16.534.083 |
| | Corporate tax payable to group enterprises | 572.441 | 861.894 |
| | Other payables | 4.214.175 | 6.452.048 |
| | Deferred income | 514.600 | 441.422 |
| | Total short term liabilities other than provisions | 29.522.311 | 24.714.847 |
| | **Total liabilities other than provisions** | **29.522.311** | **24.714.847** |
| | **Total equity and liabilities** | **41.655.589** | **34.033.247** |
| 4 | **Contingencies** | | |
| 5 | **Related parties** | | |

## Statement of changes in equity

All amounts in DKK.

| | Contributed capital | Retained earnings | Total |
|---|---|---|---|
| Equity 1 January 2022 | 500.000 | 5.764.759 | 6.264.759 |
| Retained earnings for the year | 0 | 3.053.641 | 3.053.641 |
| Equity 1 January 2023 | 500.000 | 8.818.400 | 9.318.400 |
| Retained earnings for the year | 0 | 2.640.168 | 2.640.168 |
| **Equity 31 December 2023** | **500.000** | **11.458.568** | **11.958.568** |

## Notes

All amounts in DKK.

| | | 2023 | 2022 |
|---|---|---|---|
| **1.** | **Staff costs** | | |
| | Salaries and wages | 2.973.873 | 4.356.208 |
| | Pension costs | 315.967 | 420.047 |
| | Other costs for social security | 7.574 | 20.570 |
| | | **3.297.414** | **4.796.825** |
| | Average number of employees | 3 | 5 |
| **2.** | **Other fixtures, fittings, tools and equipment** | | |
| | Cost 1 January | 2.987.666 | 0 |
| | Additions during the year | 5.211.292 | 2.987.666 |
| | **Cost 31 December 2023** | **8.198.958** | **2.987.666** |
| | Amortisation and depreciation for the year | -699.698 | 0 |
| | **Depreciation and write-down 31 December 2023** | **-699.698** | **0** |
| | **Carrying amount, 31 December 2023** | **7.499.260** | **2.987.666** |

**3. Receivables from group enterprises**

Cepheid Denmark ApS participate in a cash pool arrangement of the Cepheid division of Danaher Corporation. Under the terms of the cash pool arrangements, participating companies' deposits and withdrawals are offset against each other. As of December 31, 2023, Cepheid Denmark ApS' cash pool deposit amounts TDKK 28.868 and is classified as "Receivables from group enterprises". At December 31, 2023, the Cepheid divisions had a net deposit position in the cash pool.

**4. Contingencies**

**Contingent liabilities and contractual commitments**

Lease liabilities

The company has entered into operational leases that have 41 months to maturity and total outstanding lease payments total DKK 305.700.

**Joint taxation**

With Danaher Tax Administration ApS, company reg. no 28316887 as administration company, the company is subject to the Danish scheme of joint taxation and unlimitedly, jointly, and severally liable, along with the other jointly taxed companies, for the total corporation tax.

All amounts in DKK.

**4. Contingencies (continued)**

**Joint taxation (continued)**

The company is unlimitedly, jointly, and severally liable, along with the other jointly taxed companies, for any obligations to withhold tax on interest, royalties, and dividends.

Any subsequent adjustments of corporate taxes or withholding tax, etc., may result in changes in the company's liabilities.

All amounts in DKK.

**5. Related parties**

**Consolidated financial statements**

Name and registered office of the Parent preparing consolidated financial statements for the largest group:

Danaher Corporation
2200 Pennsylvania Avenue, NW
Suite 800W
Washington, DC 20037
USA

Name and registered office of the Parent preparing consolidated financial statements for the smallest group:

Danaher Corporation, Washington DC

The consolidated financial statements for the Danaher Group can be acquired at the following link: https://investors.danaher.com/annual-report-and-proxy

## Accounting policies

The annual report for Cepheid Denmark ApS has been prepared and presented in accordance with the Danish Financial Statements Act regulations concerning reporting class B enterprises. Furthermore, the company has decided to comply with certain rules applying to reporting class C enterprises.

**Recognition and measurement in general**

Income is recognised in the income statement concurrently with its realisation, including the recognition of value adjustments of financial assets and liabilities. Likewise, all costs are recognised in the income statement, including depreciations amortisations, write-downs for impairment, provisions, and reversals due to changes in estimated amounts previously recognised in the income statement.

Assets are recognised in the statement of financial position when it seems probable that future economic benefits will flow to the company and the value of the asset can be reliably measured.

Liabilities are recognised in the statement of financial position when it is seems probable that future economic benefits will flow out of the company and the value of the liability can be reliably measured.

Assets and liabilities are measured at FV at the initial recognition and then are measured based on amortized cost or FVTPL.

Certain financial assets and liabilities are measured at amortised cost, allowing a constant effective interest rate to be recognised during the useful life of the asset or liability. Amortised cost is recognised as the original cost less any payments, plus/less accrued amortisations of the difference between cost and nominal amount. In this way, capital losses and gains are allocated over the useful life of the liability.

Upon recognition and measurement, allowances are made for such predictable losses and risks which may arise prior to the presentation of the annual report and concern matters that exist on the reporting date.

### Income statement

**Gross profit**

Gross profit comprises the revenue, other operating income, cost of sales and external costs.

The enterprise will be applying IAS 18 as its basis of interpretation for the recognition of revenue.

Revenue is recognised in the income statement if delivery and passing of risk to the buyer have taken place before the end of the year and if the income can be determined reliably and inflow is anticipated. Revenue is measured at the fair value of the consideration promised exclusive of VAT and taxes and less any discounts relating directly to sales.

Cost of sales comprises costs concerning purchase of raw materials and consumables less discounts and changes in inventories.

Other external expenses comprise expenses incurred for distribution, sales, advertising, operating lease and administration.

**Staff costs**
Staff costs include salaries and wages, including holiday allowances, pensions, and other social security costs, etc., for staff members.

**Depreciation, amortisation, and write-down for impairment**
Depreciation, amortisation, and write-down for impairment comprise depreciation on, amortisation of, and write-down for impairment of tangible assets.

**Financial income and expenses**
Financial income and expenses are recognised in the income statement with the amounts concerning the financial year. Financial income and expenses comprise interest income and expenses, and revaluation of transactions in foreign currency.

**Tax on net profit or loss for the year**
Tax for the year comprises the current income tax for the year and changes in deferred tax and is recognised in the income statement with the share attributable to the net profit or loss for the year and directly in equity with the share attributable to entries directly in equity.

The company is subject to Danish rules on compulsory joint taxation of Danish group enterprises.

The current Danish income tax is allocated among the jointly taxed companies proportional to their respective taxable income (full allocation with reimbursement of tax losses).

## Statement of financial position

**Property, plant, and equipment**
Equipment is measured at cost less accrued depreciation and write-down for impairment.

The depreciable amount is cost less any expected residual value after the end of the useful life of the asset. The amortisation period and the residual value are determined at the acquisition date and reassessed annually. If the residual value exceeds the carrying amount, the depreciation is discontinued.

If the amortisation period or the residual value is changed, the effect on amortisation will, in future, be recognised as a change in the accounting estimates.

The cost comprises acquisition cost and costs directly associated with the acquisition until the time when the asset is ready for use.

The cost of a total asset is divided into separate components. These components are depreciated separately, the useful lives of each individual components differing, and the individual component representing a material part of the total cost.

Depreciation is done on a straight-line basis according to an assessment of the expected useful life :

| | Useful life |
|---|---|
| Other fixtures and fittings, tools and equipment | 7 years |

Minor assets with an expected useful life of less than 1 year are recognised as costs in the income statement in the year of acquisition.

Profit or loss derived from the disposal of property, land, and equipment is measured as the difference between the sales price less selling costs and the carrying amount at the date of disposal. Profit or loss is recognised in the income statement as other operating income or other operating expenses.

**Leases**

The enterprise will be applying IAS 17 as its base of interpretation for recognition of classification and recognition of leases.

Leases are regarded as operating leases. Payments in connection with operating leases and other lease agreements are recognised in the income statement for the term of the contract. The company's total liabilities concerning operating leases and lease agreements are recognised under contingencies, etc.

**Impairment loss relating to non-current assets**

The carrying amount of both intangible and tangible fixed assets as well as equity investment in group enterprise are subject to annual impairment tests in order to disclose any indications of impairment beyond those expressed by amortisation and depreciation respectively.

If indications of impairment are disclosed, impairment tests are carried out for each individual asset or group of assets, respectively. write-down for impairment is done to the recoverable amount if this value is lower than the carrying amount.

The recoverable amount is the higher value of value in use and fair value less expected selling cost. The value in use is calculated as the present value of the expected net cash flows from the use of the asset or the asset group and expected net cash flows from the sale of the asset or the asset group after the end of their useful life.

Previously recognised impairment losses are reversed when conditions for impairment no longer exist. Impairment relating to goodwill is not reversed.

**Inventories**

Inventories are measured at cost according to the FIFO method. In cases when the net realisable value of the inventories is lower than the cost, the latter is written down for impairment to this lower value.

Costs of goods for resale, raw materials, and consumables comprise acquisition costs plus delivery costs.

Costs of manufactured goods and work in progress comprise the cost of raw materials, consumables, direct wages, and indirect production costs. Indirect production costs comprise indirect materials and wages, maintenance and depreciation of machinery, factory buildings, and equipment used in the production process, and costs for factory administration and factory management. Borrowing expenses are not recognised in cost.

The net realisable value for inventories is recognised as the estimated selling price less costs of completion and selling costs. The net realisable value is determined with due consideration of negotiability, obsolescence, and the development of expected market prices.

**Receivables**

Receivables are measured at amortised cost, usually equalling nominal value less writedowns less provision for estimated credit losses.

**Cash and cash equivalents**

Given the nature of the Group's cash pool arrangement, cash pool balances are not considered cash, but are recognised under "receivables from group enterprise".

**Income tax and deferred tax**

Current tax liabilities and current tax receivable are recognised in the statement of financial position as calculated tax on the taxable income for the year, adjusted for tax of previous years' taxable income and for tax paid on account.

The company is jointly taxed with consolidated Danish companies. The current corporate income tax is distributed between the jointly taxed companies in proportion to their taxable income and with full distribution with reimbursement as to tax losses. The jointly taxed companies are comprised by the Danish tax prepayment scheme.

Joint taxation contributions payable and receivable are recognised in the statement of financial position as ”Tax receivables from group enterprises" or "corporate tax payable to group enterprises".

According to the rules of joint taxation, Cepheid Denmark ApS is unlimitedly, jointly, and severally liable to pay the Danish tax authorities the total income tax, including withholding tax on interest, royalties, and dividends, arising from the jointly taxed group of companies.

Deferred tax is measured on the basis of temporary differences in assets and liabilities with a focus on the statement of financial position.

Adjustments take place in relation to deferred tax concerning elimination of unrealised intercompany gains and losses.

Deferred tax is measured based on the tax rules and tax rates applying under the legislation prevailing in the respective countries on the reporting date when the deferred tax is expected to be released as current tax. Changes in deferred tax due to changed tax rates are recognised in the income statement, except for items included directly in the equity.

Deferred tax assets, including the tax value of tax losses allowed for carryforward, are recognised at the value at which they are expected to be realisable, either by settlement against tax of future earnings or by set-off in deferred tax liabilities within the same legal tax unit.

**Liabilities other than provisions**

Other liabilities concerning payables to suppliers, group enterprises, and other payables are measured at amortised cost which usually corresponds to the nominal value.

**Deferred income**

Payments received concerning future income are recognised under deferred income.